

PBGC - Consolidated Financial Systems

Exhibit 300: Capital Asset Plan and Business Case Summary
Part I: Summary Information And Justification

Section A: Overview

1. Date of submission: **Sep 11, 2006**
2. Agency: **012**
3. Bureau: **12**
4. Name of this Capital Asset: **PBGC - Consolidated Financial Systems**
5. Unique Project (Investment) Identifier: **012-12-01-01-01-2075-00**
6. What kind of investment will this be in FY2008? **Mixed Life Cycle**
7. What was the first budget year this investment was submitted to OMB? **FY2004**
8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap: **The PBGC's 2006-2011 Strategic Plan is based on three over-arching goals; Safeguard the federal pension insurance system for the benefit of participants, plan sponsors, and other stakeholders; Provide exceptional service to customers and stakeholders; and Exercise effective and efficient stewardship of PBGC resources. This initiative supports the effective and efficient stewardship of PBGC's resources by eliminating or moving towards the elimination of issues that might result in PBGC not obtaining a clean audit opinion. In addition, the Financial Systems Consolidation effort will help the Corporation achieve its goals relative to the "Improved Financial Performance" goal of the President's Management Agenda. Consolidated financial systems will enable the Corporation to produce its financial statements more efficiently and economically, and will integrate budget planning, budget execution and day-to-day accounting. The system will support the following PBGC goals: • Improving its financial management processes and developing a reengineering plan to better integrate its financial systems. • Improve the timeliness of financial reporting. • Elimination of increasing costs associated with maintenance of aging legacy systems. To fully align PBGC's financial system requirements would require the servicing agency to customize their system in order to service PBGC's Trust Fund (defined benefit pension plans trusted by PBGC). PBGC is required to account for and report its financial activity (both revolving and trust) using commercial (FASB) accounting practices. OMB Circular A-136 states "Components of Executive Branch Agencies required by law to issue financial statements prepared in accordance with accounting standards other than those promulgated by FASAB shall continue to comply with applicable standards." In addition, there are multiple mixed financial systems that PBGC operates that would have to be integrated with the revolving or trust ledgers. It is PBGC's position that it is unlikely that these specialized services could be obtained from any one provider. If**

PBGC is required to operate these subledgers independently and integrate them with a general ledger it would increase the cost and complexity of maintaining adequate controls on financial and system processes.

9. Did the Agency's Executive/Investment Committee approve this request? **yes**

a. If "yes," what was the date of this approval? **May 10, 2006**

10. Did the Project Manager review this Exhibit? **yes**

11. Contact information of Project Manager?

Name **Latrece Johnson**

Phone Number **202-326-4130**

E-mail johnson.latrece@pbgc.gov

12. Has the agency developed and/or promoted cost effective, energy efficient and environmentally sustainable techniques or practices for this project. **no**

a. Will this investment include electronic assets (including computers)? **yes**

b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only) [**Not answered**]

1. If "yes," is an ESPC or UESC being used to help fund this investment? [**Not answered**]

2. If "yes," will this investment meet sustainable design principles? [**Not answered**]

3. If "yes," is it designed to be 30% more energy efficient than relevant code? [**Not answered**]

13. Does this investment directly support one of the PMA initiatives? **no**

Budget Performance Integration

Financial Performance

Expanded E-Government

a. Briefly describe how this asset directly supports the identified initiative(s)?

Comply with financial management system requirements and applicable Federal accounting standards. To integrate financial and performance management systems supporting day-to-day operations. To maintain an unqualified and timely audit opinion on the annual financial statements with no material internal control weaknesses reported. Accurate and timely financial information being reported to support operating, budget and policy decisions, ensuring reliability of accounting data, receipts.

14. Does this investment support a program assessed using the Program Assessment Rating Tool (PART)? (For more information about the PART, visit

www.whitehouse.gov/omb/part.) **yes**

a. If "yes," does this investment address a weakness found during a PART review? **no**

- b. If "yes," what is the name of the PARTed program? **Pension Benefit Guaranty Corporation**
 - c. If "yes," what rating did the PART receive? **Moderately Effective**
15. Is this investment for information technology? **yes**

For information technology investments only:

- 16. What is the level of the IT Project? (per CIO Council PM Guidance) **Level 2**
- 17. What project management qualifications does the Project Manager have? (per CIO Council PM Guidance) **(1) Project manager has been validated as qualified for this investment**
- 18. Is this investment identified as "high risk" on the Q4 - FY 2006 agency high risk report (per OMB's "high risk" memo)? **no**
- 19. Is this a financial management system? **yes**
 - a. If "yes," does this investment address a FFMIA compliance area? **yes**
 - 1. If "yes," which compliance area: **Integration of financial systems**
 - 2. If "no," what does it address? **NA**
 - b. If "yes," please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A-11 section 52 **Performance Accounting (PA) Trust Plan Ledger (TPL) financial Reporting Systems (FRS)**
- 20. What is the percentage breakout for the total FY2008 funding request for the following?
 - Hardware**3**
 - Software**3**
 - Services**94**
 - Other[**Not answered**]
- 21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities? **n/a**
- 22. Contact information of individual responsible for privacy related questions:

Name	Phil Hertz
Phone Number	202-326-4000
Title	Deputy General Counsel
E-mail	hertz.philip@pbgc.gov

- 23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval? **no**

Section B: Summary of Spending

1.

Table 1: SUMMARY OF SPENDING FOR PROJECT PHASES (REPORTED IN MILLIONS) (Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)									
	PY-1 and earlier	PY 2006	CY 2007	BY 2008	BY+1 2009	BY+2 2010	BY+3 2011	BY+4 and beyond	Total
Planning:	0.2	0.2	0.2	0.2	0	0.2	0	0	1
Acquisition:	5.7	3.4	3.9	1.3	0	1.3	0	0	15.6
Subtotal Planning & Acquisition:	5.9	3.6	4.1	1.5	0	1.5	0	0	16.6
Operations & Maintenance:	1.5	1.5	1.5	1.5	1.2	1.2	1.2	1.3	10.9
TOTAL:	7.4	5.1	5.6	3	1.2	2.7	1.2	1.3	27.5
Government FTE Costs should not be included in the amounts provided above.									
Government FTE Costs	0.2	0.8	0.8	0.2	0.2	0.2	0.2	0.2	2.8
Number of FTE represented by Costs:	1	4	4	1	1	1	1	1	14

2. Will this project require the agency to hire additional FTE's? **no**
 - a. If "yes", How many and in what year? **NA**
3. If the summary of spending has changed from the FY2007 President's budget request, briefly explain those changes: **No significant changes from the FY 2007 President's budget**

Section C: Acquisition/Contract Strategy

1. @import url(/itweb/resources/app.css);

Contracts/Task Orders Table:

Contract or Task Order Number	CT-05-0746
Type of Contract/Task Order	Fixed Price
Has the contract been awarded	yes
If so what is the date of the award? If not, what is the planned award date?	Sep 29, 2005
Start date of Contract/Task Order	Oct 1, 2005
End date of Contract/Task Order	Sep 30, 2010
Total Value of Contract/ Task Order (\$M)	7.2
Is this an Interagency Acquisition?	no
Is it performance based?	no
Competitively awarded?	yes
What, if any, alternative financing option is being used?	NA
Is EVM in the contract?	yes
Does the contract include the required security & privacy clauses?	yes
Name of CO	Greg Smith
CO Contact information	202-326-4160 smith.greg@pbgc.gov
Contracting Officer Certification Level	NA
If N/A, has the agency determined the CO assigned has the competencies and skills necessary to support this acquisition?	yes
Contract or Task Order Number	CT-04-0691

Type of Contract/Task Order	Labor Hour
Has the contract been awarded	yes
If so what is the date of the award? If not, what is the planned award date?	Oct 1, 2003
Start date of Contract/Task Order	Oct 1, 2003
End date of Contract/Task Order	Sep 30, 2007
Total Value of Contract/ Task Order (\$M)	4.1
Is this an Interagency Acquisition?	no
Is it performance based?	no
Competitively awarded?	yes
What, if any, alternative financing option is being used?	NA
Is EVM in the contract?	no
Does the contract include the required security & privacy clauses?	yes
Name of CO	Janice Johnson
CO Contact information	johnson.janiced@pbgc.gov
Contracting Officer Certification Level	NA
If N/A, has the agency determined the CO assigned has the competencies and skills necessary to support this acquisition?	yes

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why: **CT-05-0746 is a Firm Fixed Price contract for the delivery of the basic Consolidated Financial System negotiated in the course of a competitive procurement. CT-04-0691 is a labor-hour contract that provides operations and maintenance support for the legacy financial systems.**

3. Do the contracts ensure Section 508 compliance? **yes**
 - a. Explain why: **Section 508 compliance is an explicit, mandatory requirement enforced by the Corporation's contracting officer and wholly supported by its General Counsel and its Chief Information Officer. In order to comply with JFMIP requirements, any financial software acquired by the Corporation must provide an application interface that complies with the software application standards required by Section 508 of the Rehabilitation Act as detailed in 36 CFR 1194, Subpart B.**
4. Is there an acquisition plan which has been approved in accordance with agency requirements? **yes**
 - a. If "yes," what is the date? **Sep 30, 2005**
 - b. If "no," will an acquisition plan be developed? [**Not answered**]
 1. If "no," briefly explain why: **NA**

Section D: Performance Information

Performance Information Table 1:					
Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned performance Metric (Target)	Performance Metric Results (Actual)
2007	Unqualified Audit Opinion	Met / Not Met	Unqualified audit Opinion	Maintain an Unqualified Opinion	[Not answered]
2007	Level Customer Service	% of invoices forwarded to COTR within 2 business days	75%	90%	[Not answered]
2007	Decreasing maintenance	Maintenance Budget	\$2,000,000	40%	[Not answered]
2007	Timeliness	% of invoices paid within 30 calendar days	75%	10%	[Not answered]
2008	Unqualified audit opinion	Met / Not Met	Unqualified audit opinion	Maintain an unqualified opinion	[Not answered]
200	Level customer	% of invoices forwarded to COTR within 2	90%	90%	[Not answered]

8	service	business days			
2008	Decreasing maintenance	Maintenance budget	\$2,000,000	40%	[Not answered]
2008	Timeliness	% of invoices paid within 30 calendar days	75%	10%	[Not answered]

Performance Information Table 2:

Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
2006	Mission and Business Results	Financial Management	Met / Not Met	Unqualified Audit Opinion	Maintain an unqualified opinion	[Not answered]
2006	Customer Results	Delivery Time	% of invoices forwarded to COTR within 2 business days	90%	3%	[Not answered]
2006	Processes and Activities	Timeliness	% of invoices paid within 30 calendar days	75%	5%	[Not answered]
2006	Technology	Operations and Maintenance Costs	Maintenance budget	\$2,000,000	10%	[Not answered]
2007	Mission and Business Results	Financial Management	Met / Not Met	Unqualified audit opinion	Maintain an unqualified opinion	[Not answered]
2007	Customer Results	Delivery Time	% of invoices forwarded to COTR within 2 business days	90%	6%	[Not answered]
2007	Processes and Activities	Timeliness	% of invoices paid within 30 calendar days	75%	10%	[Not answered]
2008	Technology	Operations and Maintenance	Maintenance budget	\$2,000,000	40%	[Not answered]

7		Costs				red]
2008	Mission and Business Results	Financial Management	Met / Not Met	Unqualified audit opinion	Maintain an unqualified opinion	[Not answered]
2008	Customer Results	Delivery Time	% of invoices forwarded to DOTR within 2 business days	90%	6%	[Not answered]
2008	Processes and Activities	Timeliness	% of invoices paid within 30 calendar days	75%	10%	[Not answered]
2008	Technology	Operations and Maintenance Costs	Maintenance budget	\$2,000,000	40%	[Not answered]
2009	Mission and Business Results	Financial Management	Met / Not Met	Unqualified audit opinion	Maintain an unqualified opinion	[Not answered]
2009	Customer Results	Delivery Time	% of invoices forwarded to COTR within 2 business days	90%	6%	[Not answered]
2009	Processes and Activities	Timeliness	% of invoices paid within 30 calendar days	75%	10%	[Not answered]
2009	Technology	Operations and Maintenance Costs	Maintenance budget	\$2,000,000	40%	[Not answered]
2010	Mission and Business Results	Financial Management	Met / Not Met	Unqualified audit opinion	Maintain an unqualified opinion	[Not answered]
2010	Customer Results	Delivery Time	% of invoices forwarded to COTR within 2 business days	90%	6%	[Not answered]
2010	Processes and Activities	Timeliness	% of invoices paid within 30 calendar days	85%	10%	[Not answered]
2010	Technology	Operations and Maintenance Costs	Maintenance budget	\$2,000,000	40%	[Not answered]

0		Maintenance Costs				[Not answered]
2011	Mission and Business Results	Financial Management	Met / Not Met	Unqualified audit opinion	Maintain an unqualified opinion	[Not answered]
2011	Customer Results	Delivery Time	% of invoices forwarded to COTR within 2 business days	90%	6%	[Not answered]
2011	Processes and Activities	Timeliness	% of invoices paid within 30 calendar days	75%	10%	[Not answered]
2011	Technology	Operations and Maintenance Costs	Maintenance budget	\$2,000,000	40%	[Not answered]
2012	Mission and Business Results	Financial Management	Met / Not Met	Unqualified audit opinion	Maintain an unqualified opinion	[Not answered]
2012	Customer Results	Delivery Time	% of invoices forwarded to COTR within 2 business days	90%	6%	[Not answered]
2012	Processes and Activities	Timeliness	% of invoices paid within 30 calendar days	75%	10%	[Not answered]
2012	Technology	Operations and Maintenance Costs	Maintenance budget	\$2,000,000	40%	[Not answered]

Section E: Security and Privacy

1. Have the IT security costs for the system(s) been identified and integrated into the overall costs of the investment: **yes**
 - a. If "yes," provide the "Percentage IT Security" for the budget year: **2**
2. Is identifying and assessing security and privacy risks a part of the overall risk management effort for each system supporting or part of this investment. **yes**

3. Systems in Planning - Security Table:			
Name of System	Agency/ or Contractor Operated System?	Planned Operational Date	Planned or Actual C&A Completion Date
Consolidated Financial System	Government Only	Oct 1, 2006	Nov 27, 2006

4. Operational Systems - Security Table:							
Name of System	Agency/ or Contractor Operated System?	NIST FIPS 199 Risk Impact level	Has C&A been Completed, using NIST 800-37?	Date C&A Complete	What standards were used for the Security Controls tests?	Date Complete(d) : Security Control Testing	Date the contingency plan tested
Performance Accounting (PA)	Government Only	Moderate	yes	Nov 27, 2006	FIPS 200 / NIST 800-53	Sep 30, 2005	Aug 12, 2006
Trust Accounting System (TAS)	Government Only	Moderate	yes	Nov 27, 2006	FIPS 200 / NIST 800-53	Sep 30, 2005	Aug 12, 2006
Financial Reporting System (FRS)	Government Only	Moderate	yes	Nov 27, 2006	FIPS 200 / NIST 800-53	Sep 30, 2005	Aug 12, 2006

5. Have any weaknesses, not yet remediated, related to any of the systems part of or supporting this investment been identified by the agency or IG? **no**
 - a. If "yes," have those weaknesses been incorporated into the agency's plan of action and milestone process? [**Not answered**]
6. Indicate whether an increase in IT security funding is requested to remediate IT security weaknesses? **no**
 - a. If "yes," specify the amount, provide a general description of the weakness, and explain how the funding request will remediate the weakness. **Yes, a request of \$2.7 million was requested but not approved, pending further information. OMB's approval is pending further information. Of that \$2.7 million, \$1.5 million was requested to make various improvements to PBGC's enterprise-**

wide information security program and to complete eight additional C&As during FY2007. The remainder of the request related to smart cards, data encryption and two-factor authentication. Additionally, during January 2007, PBGC management will begin a strategic review of security requirements and funding, in order to decide the funding schedule and possible funding sources for the improvements and C&As needed. PBGC has made substantial progress by hiring a third party Information Security vendor to assist in developing an effective Risk Management Program and performing Independent Validation and Verification (IV&V) on new and in progress C&A efforts. While in this role, the Vendor also performed a gap analysis comparing PBGC's security program to all OMB, NIST Special Publications, and FISMA information security guidelines, and then mapped them back to PBGC's information security reportable condition. This analysis served as a baseline for planned Risk Management activities upgrading PBGC's security program to include Risk Management and Certification and Accreditation. The IV&V vendor is also assisting PBGC in developing system specific/ enterprise-level Security Plans of Action and Milestones. The systems listed in this investment have been certified and accredited as listed. PBGC will re-certify CFS during FY2007. The other systems listed will receive C&A's as they are prioritized and aligned with the strategic planning process scheduled from January to April 2007.

- 7. How are contractor security procedures monitored, verified, and validated by the agency for the contractor systems above? **Not applicable, PBGC believes: none of these systems will be operated outside of PBGC control.**

8. Planning & Operational Systems - Privacy Table:					
Name of System	Is this a new system?	Is there a Privacy Impact Assessment (PIA) that covers this system?	Is the PIA available to the public?	Is a System of Records Notice (SORN) required for this system?	Was a new or amended SORN published in FY 06?
PA	no	1. Yes.	1. Yes.	no	3. No, because the existing Privacy Act system of records was not substantially revised in FY 06.
TAS	no	3. No, because the system does not contain, process, or transmit personal identifying information.	2. No, because a PIA is not yet required to be completed at this time.	no	3. No, because the existing Privacy Act system of records was not substantially revised in FY 06.

FRS	no	3. No, because the system does not contain, process, or transmit personal identifying information.	2. No, because a PIA is not yet required to be completed at this time.	no	3. No, because the existing Privacy Act system of records was not substantially revised in FY 06.
CFS	yes	1. Yes.	1. Yes.	yes	5. No, because the system is not a Privacy Act system of records.

Section F: Enterprise Architecture (EA)

1. Is this investment included in your agency's target enterprise architecture? **yes**
 - a. If "no," please explain why? **NA**
2. Is this investment included in the agency's EA Transition Strategy? **yes**
 - a. If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment. **Consolidated Financial Systems**
 - b. If "no," please explain why? **NA**

3. Service Component Reference Model (SRM) Table :							
Agency Component Name	Agency Component Description	FEA SRM Service Type	FEA SRM Component	Service Component Reused		Internal or External Reuse?	BY Funding Percentage
				Component Name	UPI		
Consolidated Financial System (CFS)	Financial system of record for PBGC operations.	Data Management	Data Warehouse	Data Warehouse	012-12-01-05-02-0500-00	Internal	1
Trust Ledger	Accounting system for tracking Trusted assets from Plans	Asset / Materials Management	Property / Asset Management	Data Warehouse	012-12-01-05-01-2075-00	Internal	1
Consolidated	Financial system of	Financial	Auditing	[Not	[Not	No Reuse	1

Financial System (CFS)	record for PBGC operations.	Management		answered]	answered]		
Trust Ledger	Accounting system for tracking Trusted assets from Plans	Financial Management	Billing and Accounting	[Not answered]	[Not answered]	No Reuse	1
Trust ledger	Accounting system for tracking Trusted assets from Plans	Financial Management	Internal Controls	[Not answered]	[Not answered]	No Reuse	1

4. Technical Reference Model (TRM) Table:

FEA SRM Component	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification
Data Warehouse	Component Framework	Business Logic	Platform Dependent	.NET / Windows 2000
Data Warehouse	Component Framework	Business Logic	Platform Independent	Java / Linux
Data Warehouse	Component Framework	Data Interchange	Data Exchange	XML / SOAP
Data Warehouse	Component Framework	Data Management	Database Connectivity	JDBC / ADO.net
Data Warehouse	Component Framework	Presentation / Interface	Dynamic Server-Side Display	ASP.net
Data Warehouse	Component Framework	Presentation / Interface	Static Display	HTML
Data	Component	Presentation /	Dynamic Server-	JSP / JSF

Warehouse	Framework	Interface	Side Display	
Data Warehouse	Component Framework	Presentation / Interface	Content Rendering	HTML
Data Warehouse	Component Framework	Security	Certificates / Digital Signatures	SSL
Data Warehouse	Component Framework	Security	Supporting Security Services	WS Security
Data Warehouse	Service Access and Delivery	Access Channels	Web Browser	IE 6.0
Data Warehouse	Service Access and Delivery	Delivery Channels	Extranet	TCP/IP
Data Warehouse	Service Access and Delivery	Delivery Channels	Internet	TCP/IP
Data Warehouse	Service Access and Delivery	Delivery Channels	Intranet	TCP/IP
Data Warehouse	Service Access and Delivery	Service Requirements	Authentication / Single Sign-on	Oracle Internet Directory / Activity Directory
Data Warehouse	Service Access and Delivery	Service Requirements	Legislative / Compliance	Section 508
Data Warehouse	Service Access and Delivery	Service Requirements	Hosting	Internal
Data Warehouse	Service Access and Delivery	Service Transport	Service Transport	HTTP, HTTPS

Data Warehouse	Service Access and Delivery	Service Transport	Supporting Network Services	DHCP
Data Warehouse	Service Access and Delivery	Service Transport	Supporting Network Services	DNS
Data Warehouse	Service Access and Delivery	Service Transport	Service Transport	TCP/IP
Data Warehouse	Service Interface and Integration	Integration	Enterprise Application Integration	Oracle BPEL
Data Warehouse	Service Interface and Integration	Integration	Middleware	PL/SQL, Net8
Data Warehouse	Service Interface and Integration	Interface	Service Description / Interface	WSDL, API
Data Warehouse	Service Interface and Integration	Interoperability	Data Format / Classification	XML
Data Warehouse	Service Interface and Integration	Interoperability	Data Types / Validation	XML schema
Data Warehouse	Service Platform and Infrastructure	Database / Storage	Database	SQL Server
Data Warehouse	Service Platform and Infrastructure	Database / Storage	Database	Oracle
Data Warehouse	Service Platform and Infrastructure	Database / Storage	Database	Filenet, Optical Image Storage
Data Warehouse	Service Platform and Infrastructure	Delivery Servers	Application Servers	Oracle 10gAS, .NET

Data Warehouse	Service Platform and Infrastructure	Delivery Servers	Web Servers	Oracle 10gAS, IIS
Data Warehouse	Service Platform and Infrastructure	Hardware / Infrastructure	Servers / Computers	Enterprise Server
Data Warehouse	Service Platform and Infrastructure	Hardware / Infrastructure	Wide Area Network (WAN)	Frame Relay
Data Warehouse	Service Platform and Infrastructure	Hardware / Infrastructure	Local Area Network (LAN)	Ethernet
Data Warehouse	Service Platform and Infrastructure	Software Engineering	Integrated Development Environment	Oracle JDeveloper
Data Warehouse	Service Platform and Infrastructure	Software Engineering	Modeling	All Fusion, Oracle JDeveloper
Data Warehouse	Service Platform and Infrastructure	Software Engineering	Test Management	Mercury Interactive
Data Warehouse	Service Platform and Infrastructure	Software Engineering	Software Configuration Management	Peregrine
Data Warehouse	Service Platform and Infrastructure	Support Platforms	Platform Independent	Windows 200/2003, Windows .NET
Data Warehouse	Service Platform and Infrastructure	Support Platforms	Platform Independent	Linux

5. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)? **no**
 - a. If "yes," please describe. **NA**
6. Does this investment provide the public with access to a government automated information system? **no**

- a. If "yes," does customer access require specific software (e.g., a specific web browser version)? **[Not answered]**
 - 1. If "yes," provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services). **NA**

Part II: Planning, Acquisition And Performance Information

Section A: Alternatives Analysis

- 1. Did you conduct an alternatives analysis for this project? **yes**
 - a. If "yes," provide the date the analysis was completed? **Sep 30, 2005**
 - b. If "no," what is the anticipated date this analysis will be completed? **[Not answered]**
 - c. If no analysis is planned, please briefly explain why: **NA**

2. Alternatives Analysis Results:			
Alter native Analy zed	Description of Alternative	Risk Adjusted Lifecycle Costs estimate	Risk Adjusted Lifecycle Benefits estimate
Baseli ne	1. Implement Stages I, II, III, IV, V as outlined in the 300 2. Implement a scaled down version of the BPR rather than perform a full analysis of the as is and to be processes. Activity Based Management Accounting System will not be implemented. As a result, the benefits of ABM and a number of the BPR recommendations will not be realized.	15.7	2.3
Altern ative 1	1. Implement Stages I, II, III, IV, V 2. Most of the BPR recommendations will not be implemented. Activity Based Management Accounting System and most of the BPR recommendations will not be implemented. As a result, the benefits of ABM will not be realized.	13.6	2.3
Altern ative 2	1. Implement Stages I, II, III, IV, V 2. Will allow for the implementation of more of the re-engineered business processes recommendations than Alternative 1. Activity Based Management Accounting System and some of the BPR recommendations will not be implemented. As a result, the benefits of ABM will not be realized.	16.6	2.3

3. Which alternative was selected by the Agency's Executive/Investment Committee and why was it chosen? **Alternative 1 was selected. Oracle utilizes commercial best practices to reduce operating cost and make it simpler for employees to perform their jobs. The investment in these systems will help the agency comply with the accelerated financial reporting deadlines outlined in the PMA. These financial systems will enable PBGC to continue to meet the requirements for compliance with the government's laws and regulations as follows: The Government Corporation Control Act (codified at 31 U.S.C section 9101 et seq.), Prompt Payment Act, Treasury FACTS I, GFRS and FACTS II reporting, CFO Act, JFMIP and many of the e-government requirements. Additionally, our performance goals are established to support the president's management agenda. Alternative 1 is preferred as it will integrate most if not all of the various financial and mixed financial systems. This alternative should also eliminate or at a minimum reduce the reportable condition (integration) to a management letter finding.**
4. What specific qualitative benefits will be realized? **Benefits will be derived from reduced operations and maintenance costs for financial systems and improved business processes. This includes 1) data integrity & consistency which will result in approximately a 30% savings in contractor support, 2) reduced manual processes which will provide an approximate savings of 5% and 3) reduced IT operational and maintenance costs approximately 40%. The substantial upfront investment in the system will increase the payback period, resulting in a breakeven point beyond 2011. The NPV of the savings would also have to be extended beyond FY2011 to achieve a positive overall NPV for the project.**

Section B: Risk Management

1. Does the investment have a Risk Management Plan? **yes**
 - a. If "yes," what is the date of the plan? **Aug 21, 2002**
 - b. Has the Risk Management Plan been significantly changed since last year's submission to OMB? **no**
 - c. If "yes," describe any significant changes: **NA**
2. If there currently is no plan, will a plan be developed? [**Not answered**]
 - a. If "yes," what is the planned completion date? [**Not answered**]
 - b. If "no," what is the strategy for managing the risks? **NA**
3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: **A revised Risk Management Plan is currently under development with an anticipated completion date of 03/31/2007. The CFS project manager will work within the allocated budget to determine activities that can be supported for the year. The budget will be divided into areas of support, which will be aligned with the project schedule. The schedule will track activities relating to risk, specifically: MOUs and ISAs, OMB reporting, application and data releases, partner working groups and meetings, and overall project management. Each of**

Risk Management Early Warning / Legal Matter Management fiscal year goals will be tracked in the project schedule so as to ensure on-time and on-budget delivery. The investment's scope, schedule, and cost will be reviewed and baseline through the initiative's oversight and governance procedures. In addition, the milestones will be reported to OMB through the OMB Dashboard and Milestone reporting process. The tasks' scope and completion are validated, and the cost and schedule are tracked using earned value management. Section B of this Exhibit 300 will be included in the enterprise plans of actions of milestones (POA&M).

Section C: Cost and Schedule Performance

1. Does the earned value management system meet the criteria in ANSI/EIA Standard - 748? **no**
2. Answer the following questions about current cumulative cost and schedule performance. The numbers reported below should reflect current actual information. (Per OMB requirements Cost/Schedule Performance information should include both Government and Contractor Costs):
 - a. What is the Planned Value (PV)? **5371637**
 - b. What is the Earned Value (EV)? **4052686**
 - c. What is the actual cost of work performed (AC)? **5789351**
 - d. What costs are included in the reported Cost/Schedule Performance information (Government Only/Contractor Only/Both)? **Contractor Only**
 - e. "As of" date: **Aug 30, 2006**
3. What is the calculated Schedule Performance Index (SPI= EV/PV)? **0.75**
4. What is the schedule variance (SV = EV-PV)? **-1318951**
5. What is the calculated Cost Performance Index (CPI = EV/AC)? **0.7**
6. What is the cost variance (CV = EV-AC)? **-1736665**
7. Is the CV% or SV% greater than $\pm 10\%$? (CV%= CV/EV x 100; SV%= SV/PV x 100)
yes
 - a. If "yes," was it the? **Both**
 - b. If "yes," explain the variance: **May 2006: OMB authorized an additional \$1.7 million in FY 2006 funds for this investment**
 - c. If "yes," what corrective actions are being taken? **Date Problem/Cause/Impact Corrective Action Plan 7/31/06 Logical Data Model Will be performed after Configuration is finalized. 7/31/06 Internal Controls Doc Draft Complete. Approval Pending. 7/31/06 BR100's Will be complete at the end of UAT 7/31/06 CRP 2.5 (SIT) Combined with UAT 7/31/06 CRP 3.0 (UAT) Currently scheduled for 8/1/06 completion 7/31/06 Final Con & Interfaces Combined with UAT 7/31/06 Regulatory Reports Combined with UAT 7/31/06 Training Final User Training to occur during Parallel 7/31/06**

Deployment & Ops Doc Parallel is scheduled to begin 9/1/06 6/30/06 COOP Testing Go Live currently 10/1/06 Stage II Corrective Action Plan 7/31/06 Jun & UAT Rpts UAT rescheduled to 8/1 7/31/06 Aug Reports Specs Will be completed after UAT 7/31/06 Aug Reports Build & Test Will be completed during Parallel 7/31/06 Ad-Hoc Capability Tested Will be completed during UAT 7/31/06 Exec Dash Specifications Will be completed after UAT 7/31/06 Exec Dashboard Will be completed during Parallel 7/31/06 Deployment & Ops Doc Parallel is scheduled to begin 8/25/06 6/30/06 COOP Testing Go Live currently 10/1/06 7

- d. What is most current "Estimate at Completion"? **9952370**
- 8. Have any significant changes been made to the baseline during the past fiscal year? **yes**
 - a. If "yes," when was it approved by OMB? **May 2006: OMB authorized an additional \$1.7 million in FY 2006 funds for this investment**

9. Comparison of Initial Baseline and Current Approved Baseline:									
Description of Milestone	Initial Baseline		Current Baseline				Current Baseline Variance		Percent Complete
	Planned Completion Date	Total Cost (\$M) Estimated	Completion Date Planned/Actual		Total Cost (\$M) Planned/Actual		Schedule/Cost (# days/\$M)		
Phase 1 RFP Issued (1st contract, CFS Stage I & Stage V)	Jun 30, 2005	[Not answered]	Jun 30, 2005	Jun 30, 2005	[Not answered]	[Not answered]	[Not answered]	[Not answered]	100
Award contract	Sep 28, 2005	[Not answered]	Sep 28, 2005	Sep 28, 2005	[Not answered]	[Not answered]	[Not answered]	[Not answered]	100
Implement new general ledger(s) (CFS Stage I & Stage V)	Jun 30, 2006	2.6	Jun 30, 2006	[Not answered]	5.8	5.8	90	0	90
Generate customized reports (CFS Stage II)	Aug 31, 2006	1.6	Aug 31, 2006	[Not answered]	1.7	1.7	30	0	90
Perform business process reengineering (CFS Stage	Mar 31, 2007	0.5	Mar 31,	[Not answered]	0.3	[Not answered]	[Not answered]	[Not answered]	0

III)			2007	ered]		ered]	ered]	ered]	
Phase 2 RFP issued (2nd contract)	May 1, 2007	[Not answered]	May 1, 2007	[Not answered]	[Not answered]	[Not answered]	[Not answered]	[Not answered]	0
Award contract (BPR Implementation)	Sep 30, 2007	6.6	Sep 30, 2007	[Not answered]	6.6	[Not answered]	[Not answered]	[Not answered]	0
Design, develop & implement improvements identified by BPR	Sep 30, 2008	2.7	Sep 30, 2008	[Not answered]	2.7	[Not answered]	[Not answered]	[Not answered]	0
Phase 3 RFP issued	Jun 30, 2007	[Not answered]	Jun 30, 2007	[Not answered]	[Not answered]	[Not answered]	[Not answered]	[Not answered]	0
Award contract	Sep 30, 2007	[Not answered]	Sep 30, 2007	[Not answered]	[Not answered]	[Not answered]	[Not answered]	[Not answered]	0
Design, develop & implement Activity Based Costing	Sep 30, 2008	2.6	Sep 30, 2008	[Not answered]	2.6	[Not answered]	[Not answered]	[Not answered]	0